



CHEMRING GROUP PLC

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This document is important and requires your immediate attention. If you are in any doubt about its contents you should consult your independent financial adviser. If you have sold or transferred all of your Chemring Group PLC ordinary shares you should send this document and all accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dear Shareholder

ANNUAL GENERAL MEETING OF CHEMRING GROUP PLC

I am pleased to inform you that the Company's 2010 Annual Report and Accounts has now been published. If you have requested a copy of the Company's 2010 Annual Report and Accounts, it is enclosed with this letter, together with the Notice of Annual General Meeting and any other associated documents. If you requested to receive the Annual Report and Accounts electronically or did not return the election card previously sent to you, please accept this letter as notification that the 2010 Annual Report and Accounts and associated documents have now been published on our website (www.chemring.co.uk) and can be accessed via the home page and then clicking on the investors section. If you have only recently become a shareholder in Chemring Group PLC, we will write to you shortly regarding your options for shareholder communications.

This year's Annual General Meeting will be held on Thursday 24 March 2011 at 2.30pm at Investec, 2 Gresham Street, London EC2V 7QP. The formal Notice of Meeting, together with the explanatory notes concerning each of the resolutions, is enclosed with this letter if you have elected for a hard copy, or is available on the Company's website. I would like to draw your attention in particular to the following resolutions:

Resolution 3

This resolution deals with the declaration of the final dividend of 42 pence per ordinary share proposed to be paid on 15 April 2011 (subject to shareholder approval) to shareholders on the register of members at the close of business on 25 March 2011. The final dividend is stated per ordinary share before the share split referred to below and in the Notice of Meeting.

Resolutions 4 to 10

Resolutions 4 to 10 relate to the re-appointment and re-election of directors. In order to ensure compliance with the revised UK Corporate Governance Code during the financial year ending 31 October 2011, all of the directors are voluntarily submitting themselves for re-election at the forthcoming Annual General Meeting and will continue to do so annually in the future. Biographical details for the directors can be found in the Notice of Meeting. As Chairman, I confirm on behalf of the Board, that each of the directors standing for re-election continues to demonstrate commitment to their role and to make an effective and valuable contribution to the Board. Accordingly, I have no hesitation in recommending their re-election to the shareholders.

My fellow Board members have concluded that I also continue to demonstrate commitment to my role and to make an effective and valuable contribution to the Board, and they are therefore recommending my re-appointment to the shareholders.

Resolution 13

This resolution deals with the proposed sub-division of each of our ordinary shares of 5 pence into five new ordinary shares of 1 pence each, often referred to as a "share split". Further details of what is proposed are set out in the Notice of Meeting.


Recommendation

The Board considers that all the resolutions being proposed are in the best interests of the shareholders and will promote the success of the Company, and accordingly recommends that you vote in favour of each of the resolutions set out in the Notice of Meeting, as they intend to do in respect of their own beneficial holdings amounting to 192,991 shares, representing 0.5% of the issued ordinary share capital of the Company.

Action to be taken

If you are able to attend the meeting, we will be delighted to see you. If, however, you are not able to attend the meeting in person, your vote is still important and I would urge you, regardless of the number of shares you own, to appoint a proxy. You may complete a proxy form electronically by accessing our registrars' website at www.eproxyappointment.com. Alternatively, you can complete your paper proxy form and return it to the registrars, Computershare Investor Services PLC. Further details are set out in the proxy form. Please note that all proxy forms, whether completed electronically or on paper, must arrive at the registrars not later than forty-eight hours before the time appointed for holding the Annual General Meeting. However, the completion and return of a proxy form will not prevent you from attending the Annual General Meeting and voting in person, should you wish to do so.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Hickson', with a long horizontal line underneath it.

Peter Hickson
Chairman
2 February 2011